

## **Senate Bill No. 821**

### **CHAPTER 635**

An act to add Article 3.5 (commencing with Section 35740) to Chapter 4 of Part 21 of Division 3 of Title 2 of the Education Code, relating to school district reorganization.

[Approved by Governor October 8, 2011. Filed with  
Secretary of State October 8, 2011.]

#### **LEGISLATIVE COUNSEL'S DIGEST**

SB 821, Fuller. School district reorganization: fiscal actions affecting newly organized or reorganized school districts.

Under existing law, the process of school district reorganization begins with the submission of a petition that is reviewed by the county superintendent of schools and, if sufficient, forwarded to the county committee on school district organization and the State Board of Education for additional review and public hearings. The county committee on school district organization is authorized to formulate plans and recommendations for the reorganization of school districts. The reorganization, if approved by the county committee on school district organization or the state board, is required to be voted upon during the next available election. The reorganization plans are also required to meet specified requirements, and the reorganization plans for school districts with more than 500,000 pupils based on average daily attendance are required to satisfy additional conditions.

This bill would, with respect to a school district involved in a reorganization, as specified, require the interim or governing board of the existing school district or districts, and, where applicable, the administrators of the existing school district or districts, to notify the county superintendent of schools in writing and provide relevant documents and information no less than 10 schooldays, as defined, before taking any action on any matter that could have a material fiscal impact on, or impose a debt or liability on, the existing, proposed, newly formed, or newly organized school district.

The bill would authorize the county superintendent of schools to review any action taken or proposed to be taken by any interim or existing governing board of the school district or school district administrators to determine whether that action would have a material fiscal impact, debt, or liability on the existing, proposed, newly formed, or newly organized school district. The bill would further provide that if, based on the county superintendent of schools review, the county superintendent of schools determines that the action or proposed action would have a material fiscal impact on the existing, proposed, newly formed, or newly organized school district, and that action is unnecessary for the immediate functioning of the existing or newly formed

school district, the county superintendent of schools would be authorized to stay or rescind that action.

*The people of the State of California do enact as follows:*

SECTION 1. Article 3.5 (commencing with Section 35740) is added to Chapter 4 of Part 21 of Division 3 of Title 2 of the Education Code, to read:

Article 3.5. Fiscal Actions of Newly Organized or Reorganized School Districts

35740. In addition to satisfying the requirements of subdivision (j) of Section 42127.6, upon the approval of a petition for reorganization and continuing after the certification of the election results for a newly organized school district pursuant to Section 35763, or upon the appointment of an interim governing board pursuant to Section 35100, until the effective date of the newly organized or newly formed school district in accordance with Article 4 (commencing with Section 35530) of Chapter 3, a school district involved in a reorganization as an existing, proposed, newly formed, or newly organized school district is subject to all of the following:

(a) (1) The interim board or the governing board of the existing school district or districts, and, where applicable, the administrators of the existing school district or districts, shall notify the county superintendent of schools in writing and provide relevant documents and information no less than 10 schooldays before taking any action on any matter that could have a material fiscal impact on, or impose a debt or liability on, the existing, proposed, newly formed, or newly organized school district.

(2) Notwithstanding any other law, failure to provide the notice and relevant documents and information required by paragraph (1) shall nullify the action taken by the board or administrator of the school district or districts.

(3) As used in this section, “schoolday” means a day upon which the schools of the district are in session or non-holiday weekdays during the summer recess.

(b) The county superintendent of schools may review any action taken or proposed to be taken by any interim or existing governing board or school district administrators to determine whether that action would have a material fiscal impact, debt, or liability on the existing, proposed, newly formed, or newly organized school district. If, based on the review of the county superintendent of schools, the county superintendent of schools determines that the action or proposed action would have a material fiscal impact on the existing, proposed, newly formed, or newly organized school district, and that action is unnecessary for the immediate functioning of the existing or newly formed school district, the county superintendent of schools may stay or rescind that action. The county superintendent of schools shall inform the existing or interim reorganized school district governing board or the

school district administrators in writing of his or her justification for the exercise of authority under this subdivision to stay or rescind any action of the interim or existing governing board or the school district administrators.

(c) A school district shall provide any documents or information requested by the county superintendent of schools in a timely manner related to proposed actions that are under review pursuant to this section.

(d) The provisions of this section shall apply irrespective of a school district's budget or certification status under Article 2 (commencing with Section 42120) or Article 3 (commencing with Section 42130) of Chapter 6 of Part 24.